

CITY OF ALAMEDA ORDINANCE NO. _____
New Series

AMENDING THE ALAMEDA MUNICIPAL CODE BY AMENDING SECTION 3-61.3 (TAX IMPOSED) OF SECTION 3-61 (TRANSIENT OCCUPANCY TAX) OF DIVISION IX (TAXES) OF DIVISION IX (TAXES) OF ARTICLE II (TAXATION) OF CHAPTER III (FINANCE AND TAXATION) INCREASING THE TRANSIENT OCCUPANCY TAX FROM TEN PERCENT (10%) TO FOURTEEN PERCENT (14%)

WHEREAS, the City of Alameda provides excellent community services and maintains a strong quality of life for local residents; and

WHEREAS, the City of Alameda's Transient Occupancy Tax (TOT) paid by hotel, motel and short-term rental guests staying in Alameda is currently at a lower rate than neighboring cities and the City Council believes the TOT should be increased to a rate similar to neighboring cities to provide locally-controlled revenue for local uses; and

WHEREAS, if enacted, a local measure would provide funding to support city services and infrastructure including maintaining 9-1-1 emergency response times, supporting fire, paramedic and police services, repairing potholes and deteriorating streets and maintaining clean and safe parks and beaches; and

WHEREAS, all money raised by the measure would be used to fund local services and infrastructure in Alameda and could not be taken away by the State; and

WHEREAS, a clear system of accountability would be required including annual independent audits and public disclosure of spending; and

WHEREAS, in order to maintain the City's financial stability and protect general city services, the City Council is placing a 4% increase in the City's TOT ("Measure") on the ballot at the statewide general election on November 8, 2022, bringing the total TOT from 10% to 14%.

NOW, THEREFORE, BE IT ORDAINED by the People of the City of Alameda and the City Council of the City of Alameda that:

Section 1. Ordinance.

The Alameda Municipal Code is hereby amended to revise Section 3-61.3 (Tax Imposed) of Section 3-61 (Transient Occupancy Tax) of Division IX (Taxes) of Article II (Taxation) of Chapter III (Finance and Taxation) to read as follows:

3-61 TRANSIENT OCCUPANCY TAX
3-61.3 - Tax Imposed.

For the privilege of occupancy in any hotel, each transient is subject to and shall pay a tax in the amount of fourteen (14%) percent of the rent charged by the operator. Said tax constitutes a debt owed by the transient to the City which is extinguished only by payment to the operator or to the City the Transient shall pay the tax to the operator of the hotel at the time the rent is paid. If the rent is paid in installments, a proportionate share of the tax shall be paid with each installment. The unpaid tax shall be paid with each installment. The unpaid tax shall be due upon the transient's ceasing to occupy space in the hotel. If for any reason the tax due is not paid to the operator of the hotel, the Tax Administrator may require that such tax shall be paid directly to the Tax Administrator. In the event that the Transient Occupancy Tax is not paid, prior to becoming delinquent, a penalty of ten (10%) percent on the unpaid tax or a portion thereof, shall be assessed. In the event a portion of the tax is unpaid prior to becoming delinquent, the penalty shall only accrue as to the portion remaining unpaid. An additional penalty of fifteen (15%) percent shall accrue if the tax remains unpaid on the 90th day following the date of the original delinquency. Interest shall accrue at the rate of one and one-half of one (1½%) percent a month, or fraction thereof, on the amount of tax, exclusive of penalties, from the date the tax becomes delinquent to the date of payment. Interest and penalty shall become part of the tax.

Section 2. Environmental Compliance.

The tax approved by this Ordinance is not a project for the purposes of the California Environmental Quality Act (CEQA), pursuant to Guidelines Section 15378(b)(4), which states that a project does not include the creation of government funding mechanisms or government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment. Accordingly, no CEQA review is required.

Section 3. Severability.

If any provision of this ordinance or the application thereof to any person or circumstance is held invalid the remainder of the ordinance and the application of such provision to other persons or circumstances shall not be affected thereby.

Section 4. Effective Date.

This ordinance relates to the levy and collection of taxation and shall take effect without second reading in accordance with City Charter Section 3-12, except that in accordance with applicable laws, no tax imposed by this Ordinance shall take effect unless this Ordinance is adopted by the electorate at an election to be held on November 8, 2022.

APPROVED by the following vote of the People of the City of Alameda on November 8, 2022:

YESES: 16,942

NOES: 11,631

ADOPTED by Declaration of the vote of the November 8, 2022 election by the City Council of the City of Alameda on this 20th day of December 2022.

Presiding Officer of the Council

Attest:

Lara Weisiger, City Clerk
City of Alameda

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I, the undersigned, hereby certify that the foregoing Ordinance was duly and regularly adopted and passed by Council of the City of Alameda in regular meeting assembled on the 20th day of December 2022, by the following vote to wit:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

IN WITNESS, WHEREOF, I have hereunto set my hand and affixed the official seal of said City this 21st day of December 2022.

Lara Weisiger, City Clerk
City of Alameda

Approved as to Form:

Yibin Shen, City Attorney
City of Alameda